



IDAHO WATER RESOURCE BOARD

IDAHO WATER RESOURCE BOARD

MINUTES OF MEETING NO. 07-02

October 24, 2002

Dirk Kempthorne
Governor

Joseph L. Jordan
Chairman
Fruitvale
At Large

Jerry R. Rigby
Vice Chairman
Rexburg
At Large

Dick Wyatt
Secretary
Lewiston
District 1

Leonard Beck
Burley
District 3

Terry T. Uhling
Boise
District 2

Bob Graham
Bonners Ferry
At Large

L. Claude Storer
Idaho Falls
District 4

Gary M. Chamberlain
Challis
At Large

Meeting No. 07-02 of the Idaho Water Resource Board was called to order by Chairman Joe Jordan on Thursday, October 24, 2002, 8:00 a.m. at the Coeur d'Alene Inn, Coeur d'Alene, Idaho.

Agenda Item No. 1, Roll Call

Board Members Present

Joe Jordan, Chairman	Dick Wyatt, Secretary
Bob Graham	Gary Chamberlain
Claude Storer	Terry Uhling

Board Member Absent

Jerry Rigby, Vice Chairman	Leonard Beck
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Department of Water Resources Staff Present

Karl Dreher, Director	Brian Patton, Program Manager
Hal Anderson, Administrator	Rita Fleck, Adm. Assistant
Bill Graham, Bureau Chief	

Guest

Phil Boyd, Welch-Comer Engineers	Steve James, JUB Engineers
Brad Hoyt, Hoyt Bluff Water Association	

Agenda Item No. 2, Minutes of Meeting Nos. 05-02 and 06-02

Motion: Gary Chamberlain moved approval of the minutes for meeting Nos. 05-02 and 06-02. Claude Storer seconded the motion.

Voice Vote: 6 Ayes, 0 Nays and 2 Absent. *Motion passed.*

Agenda Item No. 3, Public Comment

◆ Steve James, JUB Engineers, Inc., appeared before the Board to discuss the Riverside Independent Water District proposal. The district

is building a treatment plant. The district is before the Board to provide information and answer questions about a \$500,000 loan. The financial request will be considered at the next meeting.

During this meeting, the District wanted to get an “indication” for how the Board would consider this request. After a lengthy discussion of the project and financing options, Chairman Jordan summed the Board’s “indication” as not known at this time and invited Mr. James to the next meeting when the application will be considered.

♦ Bob Haynes, Northern Regional Manager, addressed the Board regarding items of interest within the Rathdrum Prairie and Spokane Aquifer. The prairie and aquifer cover an area in Northwest Idaho and Eastern Washington and is an area of growth. The demand on the aquifer water supply is great. This area has been identified as one needing water management. The state of Washington is preparing a basin plan. Mr. Haynes asked the Board to consider developing a basin plan soon to ensure Idaho issues are addressed.

Post Falls Dam, an Avista Corporation hydroelectric project in Northern Idaho, is coming before the Federal Energy Regulatory Commission (FERC) for relicensing. FERC would consider the information in such a plan as it addresses relicensing conditions. Without such a plan, Mr. Haynes is concerned that “. . . the voice of Idaho may not be heard . . .” He indicated that the relicensing must reference and commit to documents such the river basin planning. A river basin plans is as the voice to which FERC will listen.

After the discussion, Hal Anderson suggested Bob Haynes and Bill Graham work together to move this planning process along. They will present recommendations.

Agenda Item No. 4, Dworshak Hydroelectric Project Update

Brian Patton reported on the status of the Board’s Dworshak Small Hydroelectric project. Plant availability has been 100% for the month of July, August, & September 2002. During the months of August and September, Dworshak Reservoir was drawn down to support the anadromous fishery. However, overall energy production and availability factors are higher this year than last.

Mr. Patton reviewed the project’s current budget and cash flow spreadsheet.

Agenda Item No. 5, IWRB Financial Program

A. Financial Program Status Report

Mr. Patton reviewed the financial program accounts, reviewed projected funding amounts available for future meetings, provided a briefing of the following requests and Riverside Independent Irrigation District, and briefed the Board regarding completed projects.

B. Annual Report

Every year the Board prepares an annual report summarizing projects, distribution of funds and progress of the financial programs. The draft of this report will be sent soon and Mr. Patton asked for comments to be returned by November 22.

C. Deep Creek Property Owners Association

The Deep Creek Property Owners Association is requesting an engineering study grant of \$2,035 and a construction loan in the amount of \$23,080. The funds will be used for upgrading well piping and controls and a storage tank to meet Department of Environmental Quality standards. The association serves 22 residents and two commercial sites in Boundary County near Bonners Ferry. The Board proposes to provide the funds as a loan.

Motion: Dick Wyatt moved to adopt the resolution (Attachment 1) approving a loan in the amount of \$25,115 to the Deep Creek Property Owners Association to upgrade the water distribution system. Bob Graham seconded the motion.

Roll Call Vote: Mr. Beck, Absent; Mr. Chamberlain, Aye; Mr. Graham, Aye; Mr. Rigby, Absent; Mr. Storer, Aye; Mr. Uhling, Aye; Mr. Wyatt, Aye; and Chairman Jordan, Aye; 6 Ayes, 0 Nays, 2 Absent. *Motion passed.*

D. Twin Lakes – Rathdrum Creek Flood Control District No. 17

Phil Boyd from Welch-Comer Engineering came before the Board representing the Twin Lakes – Rathdrum Creek Flood Control District No. 17. The district is requesting a \$500,000 loan to replace the Twin Lakes outlet dam. The dam is a concrete structure built in 1906 and stores 9,090 acre feet. The district has water rights for recreation and wildlife storage, although the dam does provide other benefits to local citizens by allowing controlled release of natural flow rights on Rathdrum Creek.

In 1998 the engineer's report indicated the need for extensive reconstruction of the three floodgates, but recommended given the natural life of the dam, replacing the dam. The dam is nearing 100-years-old and even with repairs, won't have another 100 years of life nor will it meet the life of the loan without additional maintenance. The Board discussed the deterioration of the dam, financial assistance available and what is the best action to take.

Motion: Terry Uhling moved to adopt the resolution (Attachment 2) subject to clerical changes approving a loan to the Twin Lakes-Rathdrum Creek Flood Control District No. 17 in the amount of \$450,000 with 15-year repayment term to replace the dam. Claude Storer seconded the motion.

Roll Call Vote: Mr. Beck, Absent; Mr. Chamberlain, Aye; Mr. Graham, Aye; Mr. Rigby, Absent; Mr. Storer, Aye; Mr. Uhling, Aye; Mr. Wyatt, Aye; and Chairman Jordan, Aye; 6 Ayes, 0 Nays, 2 Absent. *Motion passed.*

E. Wilderness Ranch Homeowners Association

The Wilderness Ranch Homeowners Association, located between Boise and Idaho City along Highway 21, provides water service to 210 homes with a possible development of 307 homes. The association experiences water rationing in dry years and elevated arsenic and copper levels. The association proposes to build a new water treatment plant and make improvements to the distribution system.

The total cost of the project is \$259,256. The Association has come before the Board previously and secured a \$120,000 loan. The association has returned to request the remaining \$139,000. Ed Wuelfing, consulting engineer from CH2M-Hill, reviewed the project and answered questions.

The Department of Environmental Quality (DEQ) has federal funds available for this project, however, the DEQ requires the association to complete a master plan. The funds issued earlier by the Board, are being used for the master plan and it should be completed in February. The association is looking to have the treatment plant on line by next summer, but must start the design and construction immediately. The association is asking the Board for these funds now.

Motion: Gary Chamberlain moved to adopt the resolution subject to clerical changes approving a loan to the Wilderness Ranch Homeowners Association in the amount of \$139,000 with a 15-year repayment term at 6 percent to construct a water treatment plant. Claude Storer seconded the motion.

Roll Call Vote: Mr. Beck, Absent; Mr. Chamberlain, Aye; Mr. Graham, Nay; Mr. Rigby, Absent; Mr. Storer, Aye; Mr. Uhling, Nay; Mr. Wyatt, Aye; and Chairman Jordan, Nay; 3 Ayes, 3 Nays, 2 Absent. *Motion failed.*

Discussion: The motion failed. Mr. Chamberlain asked if any one of the “nay” votes could be willing to change his vote. Terry Uhling encouraged them to complete the master service plan and acquire the funds available from DEQ. After more discussion, no one changed his vote. Chairman Jordan urged the association not to give up, but to continue pursuing the water plan

F. City of Priest River

The city wants to upgrade its water system to meet future growth and water quality standards. DEQ has awarded a grant for one-half of the study costs. The city of Priest River is requesting a grant to assist with the \$61,321 study cost. The Board has a policy not to participate in grant funding for more than a total of one-half of the cost of the study, even if some grant funds come from another agency. The city indicates its need is exceptional and is presenting this application. The proposed scope of work includes an element to evaluate developing a less-costly ground water source.

The Board asked Steve James, representative from JUB Engineers for the city, what the present water rate is and why the city was not willing to assess its own citizens for additional funds.

Instead, the city is looking for alternative funding sources. If it doesn't get the grant from the Board, the city will exclude the groundwater study portion from the study plan.

Motion: Terry Uhling moved to adopt the resolution (Attachment 3) denying a grant to the city of Priest River. Dick Wyatt seconded the motion.

Roll Call Vote: Mr. Beck, Absent; Mr. Chamberlain, Aye; Mr. Graham, Aye; Mr. Rigby, Absent; Mr. Storer, Aye; Mr. Uhling, Aye; Mr. Wyatt, Aye; and Chairman Jordan, Aye; 6 Ayes, 0 Nays, 2 Absent. *Motion passed.*

G. Malad Valley Irrigation District

The Malad Valley Irrigation District submitted a request to the Board for a grant/loan of \$20,000. The company will conduct a feasibility study to replace storage water from St. John's Reservoir. The dam stores 630 acre-feet. The dam developed a sinkhole last summer and cannot be certified to store water under Idaho Dam Safety requirements.

The district requested the Board put the request on hold until it can look at other options. No action was taken.

H. Hoyt Bluff Water Association

Brian Patton introduced the \$300,00 loan request for the Hoyt Bluff Water Association, located near Rathdrum. The association wants to construct a new well and storage tank and to refinance an existing loan. The association provides water to about 35 existing home with a maximum growth potential of 70 homes.

Brad Hoyt approached the Board to explain the existing system and what is needed. The project produces an insufficient water supply for present use without adding new growth. A newly constructed well is plugged and it appears that the only solution is to drill a new larger well or possibly two smaller wells. The storage tank, electrical storage tank and distribution mechanism will need to be moved too.

Motion: Terry Uhling moved to adopt the resolution (Attachment 4) subject to clerical changes, approving a loan to the Hoyt Bluff Water Association in the amount of \$175,000 with a 10-year repayment term to replace the plugged well. Bob Graham seconded the motion.

Roll Call Vote: Mr. Beck, Absent; Mr. Chamberlain, Aye; Mr. Graham, Aye; Mr. Rigby, Absent; Mr. Storer, Aye; Mr. Uhling, Aye; Mr. Wyatt, Aye; and Chairman Jordan, Aye; 6 Ayes, 0 Nays, 2 Absent. *Motion passed.*

Agenda Item No. 6, Comprehensive State Water Planning

Bill Graham gave the progress report of on-going state water planning activities.

A. Lower Boise River

The work on the Lower Boise River Basin plan continues with emphasize on defining the goals, objectives and issues; developing the plan actions and recommendations; reviewing the Flood Management and Flood Control sections; and refining the resource description. The protected river eligibility is complete and will be brought to the Board at the next meeting. The projected completion of the draft plan is January 2003.

Planning staff has been working with DEQ and COMPASS to develop a proposal for a Watershed Initiative Program grant. This grant money is available from EPA for restoration of the inland watersheds. A grant may provide source funds for implementing plan-recommendations.

B. South Fork Clearwater River Basin

Thomas Grant and Bob Rohrer are gathering and evaluating information for the basin overview and resource descriptions. They are involved in the South Fork of the Clearwater Watershed Advisory Group as they address the state water plan process. At the October meeting, the WAG will discuss minimum stream flows for recreation, fish and wildlife and implementation of the minimum stream flow process.

C. Planning Schedule

Bill Graham presented a current planning schedule for both the Lower Boise River Basin Plan and the South Fork of the Clearwater River Basin. Both plans should conclude in 2003.

D. Bear River Ground Water Management Area

The Bear River Ground Water Advisory Group has sent to the Director of IDWR a Bear River Management Report. On page 18 of this report are three recommendations that affect the Idaho Water Resource Board. They are a request for the Board to prepare a comprehensive basin plan, investigate potential recharge and storage sites and to create a rental pool for the basin.

Agenda Item No. 7, Minimum Streamflow Applications – Billingsley Creek

Bill Graham gave the status report of the minimum streamflow applications. On September 17, Glen Saxton conducted a hearing at the Hagerman Senior Center. Jerry Rigby, Board member, briefed the audience regarding the Board's program and answered questions from the audience. Bill Graham for the Board, and Cindy Robertson for Department of Fish and Game presented the application data, area water use, and water availability.

Agenda Item No. 8, Local Committee Appointment - Lake Fork Creek, District No. 65K

The Board's Water Bank Supply Rules provide for the Board to appoint a local committee to facilitate the use of water from a rental pool. The local committee is appointed for a period of

five years. Harvey D. Florence, Jake Maki, Harry Bettis and Herald Nokes, with the support of the Watermaster for Water District No. 65, are requesting reappointment.

Motion: Terry Uhling moved to adopt the resolution (Attachment 5) appointing the local committee to operate a rental pool for the water stored in Little Payette Lake for a period of five years. Claude Storer seconded the motion.

Voice Vote: 6 Ayes, 0 Nays, 2 Absent. *Motion passed.*

Agenda Item No. 9, Water Supply Bank, Underground Injection Well Construction and Stream Channel Alternation Rules

Hal Anderson briefed the Board regarding three sets of rules. The Water Supply Bank Rules have been modified to allow money received from federal agencies into the federal grant fund for IDWR administrative costs. The Rules for Construction and Use of Injection Wells are temporary and are proposed to implement new federal requirements concerning large capacity cesspools and motor vehicle waste disposal wells. On October 3, the Board adopted a temporary rules amending the Stream Channel Alteration Rules. These temporary rules have been forwarded to the Administrative Rules Office.

Agenda Item No. 10, Executive Session

Motion: Gary Chamberlain moved the Board to enter into Executive Session with Clive Strong, Deputy Attorney General, to discuss federal reserved water rights, possible litigation and other legal matters, pursuant to Section 67-2345, Idaho Code. Dick Wyatt seconded the motion.

Voice Vote: Motion passed by voice vote; 6 Ayes, 0 Nay, 2 Absent.

No action was taken on these matters.

Motion: Jerry Rigby moved the Board to exit out of Executive Session. Dick Wyatt seconded the motion.

Voice Vote: Motion passed by voice vote; 6 Ayes, 0 Nay, 2 Absent.

Agenda Item No. 11, Other Items and Next Meeting

The next two work sessions and subsequent board meetings are scheduled for December 12 and 13 and February 27 and 28 in Boise.

Director Dreher reviewed the following items:

◆ The state's budget is crucial. The 3.5 percent holdback should be the last one as a method to adjust for the shortfall. In January, the Legislature can address revenue shortages. With regard to the Department, Mr. Dreher is looking for a continual, secured source of funds.

◆ The Idaho Water Center is progressing. This is the proposed new home for the Idaho Department of Water Resources in about 2005. The bonding authority will issue bonds on December 10. The Director has asked for an operations agreement before proceeding with signing bond documents.

◆ The Director will issue a transfer processing memorandum. The memorandum will address procedures that inform applicants of their responsibilities toward the transfer application, define staff responsibilities for application processing and defines and clarifies protests filed against transfer applications. The memorandum gives guidelines for expediting the transfer application process. At this time the process is written as a policy and is being tested before it goes into the rulemaking process.

Meeting adjourned at 12:35 p.m. PST.

Dated this 13th day of December, 2002.

D. Richard Wyatt, Secretary

Rita I. Fleck, Administrative Assistant

Board Actions

1. Moved approval of the minutes for meeting Nos. 05-02 and 06-02.
2. Moved to adopt the resolution approving a loan in the amount of \$25,115 to the Deep Creek Property Owners Association to upgrade the water distribution system. *Motion passed.*
3. Moved to adopt the resolution subject to clerical changes approving a loan to the Twin Lakes-Rathdrum Creek Flood Control District No. 17 in the amount of \$450,000 with 15-year repayment term to replace the dam. *Motion passed.*
4. Moved to adopt the resolution subject to clerical changes approving a loan to the Wilderness Ranch Homeowners Association in the amount of \$139,000 with a 15-year repayment term at 6 percent to construct a water treatment plant. *Motion failed.*
5. Moved to adopt the resolution denying a grant to the city of Priest River. *Motion passed.*

6. Moved to adopt the resolution subject to several clerical changes approving a loan to the Hoyt Bluff Water Association in the amount of \$175,000 with a 10-year repayment term to replace the well. *Motion passed.*

7. Moved to adopt the resolution appointing the local committee to operate a rental pool for the water stored in Little Payette Lake for a period of five years. *Motion passed.*

Attachments

1. Resolution approving a loan in the amount of \$25,115 to the Deep Creek Property Owners Association to upgrade the water distribution system.

2. Resolution subject to several clerical changes approving a loan to the Twin Lakes-Rathdrum Creek Flood Control District No. 17 in the amount of \$450,000 with 15-year repayment term to replace the dam.

3. Resolution subject to several clerical changes denying a grant to the city of Priest River because the Board's policy is to not participate in grant funding for more than one-half of the study cost.

4. Resolution subject to several clerical changes approving a loan to the Hoyt Bluff Water Association in the amount of \$175,000 with a 10-year repayment term to replace the well.

5. Resolution appointing the local committee to operate a rental pool for the water stored in Little Payette Lake for a period of five years.